

To the Members of the California State Senate:

I am returning Senate Bill 792 without my signature.

This bill would redirect \$5.5 million in state transportation funds originally allocated for the repayment of a federal loan which was recently forgiven. The funds are part of the \$60 million allocation to the non-operational North Coast Railroad Authority (NCRA) from the Traffic Congestion Relief Program. The bill authorizes \$1.5 million to be used for administrative expenses and the remaining \$4 million for a portion of the environmental cleanup necessary to get the railroad operational again.

Since the NCRA will not receive any less money than they originally expected, the \$5.5 million savings should revert back to the Transportation Investment Fund so that it can be allocated by the California Transportation Commission to other projects within the Transportation Congestion Relief Program.

Sincerely,

Arnold Schwarzenegger